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TS #102256

2 September 1955

STAFF MEMO NO. 58-55

SUBJECT: Terms of Reference for NIE 100-8-55: Current World Situation and Outlook Over the Next Decade.

- 1. The Estimates Program for the second half of 1955 originally called for both a short term Estimate of the World Situation (roughly a two year projection) and a subsequent rede of our 10-15 year Longview (SE-35). In the last revision of the Estimates Program we combined these two in a single projected fourth quarter NIE.
- 2. It now appears that this NIE would be of direct use in connection with the review and updating of NSC 5501 the latest overall national security policy which is due for completion by 1 January 1956. The Planning Board contemplates beginning this review almost immediately to give time for a rather detailed analysis of such major factors as the Killian timetable, problems of meeting local aggression and subversion, how to maintain technological superiority, etc. The current Board Assistants draft directive for this review also calls for a "revised estimate of the situation to include: (1) developments since January 1955 including the Summit meeting; (2) the best available estimates of short and long term world trends..... Our proposed NIE would help to meet this requirement, and the attached terms of reference are designed to be responsive to it. However, Mr. Bowie's office in State has informed us that to be of most value the NIE should be finished not later than around November 1st.
- 3. Therefore, the Staff recommends that this NIE be initiated immediately with a 1 November deadline. Only oral contributions would really be required on a think-piece of this type.

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CENTRAL INTELLIGENCE AGENCY

3 September 1955

SUBJECT: Terms of Reference: NIE 100-8-55 Current Werld Situation and Outlook through 1965* (Draft for Board Consideration)

PROBLEM

To analyze the main trends in the current world situation, with particular reference to the relationship of Western vs. Seviet power, and to estimate probable major trends as they might affect the world situation ever the next decade or more.

ASSUMPTION

Ne radical changes in present US programs and policies

SCOPE

We envision this as a very bread paper which will analyze where we are today and project this a decade into the future. Emphasis should

^{*} I have picked 1965 rather arbitrarily as a date when we would be well into the age of atomic plenty and the IBM, nuclear power, etc. There seems to be little point in projecting much further at this time.

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be on only major trends and factors, viewed from the standpoint of how they affect the global position of the U.S. We should not aim at an area by area review, but confine ourselves to the key problems.

- I. THE PRESENT WORLD POWER BALANCE . WHERE DO WE STAND TODAY
- A. What has happened since our last World Estimate (NIE 99, 20 Oct. 53)

This section is designed to set the stage for the estimate by describing in the briefest compass major developments such as Stalin's death and the Korean armistice, summit talks, which set the stage for the situation we confront today.

- 1. Shifts in Soviet leadership and domestic and foreign policy after Stalin's death and motivations for these.
- 2. Continued growth of Free World strength up through the ratification of Paris Accords, i.e. NATO buildup, European economic recovery, etc.
- 3. Major trends in Asia and Africa -- continued anti-colonial conflict, Western less in IC, closing out of East-West warfare in Asia, etc.

B. Where do we stand today?

This section would briefly delineate the current world picture, emphasizing such salient factors as the present balance of military power especially in nuclear weapons systems, the "reduction of world

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tensions", and current atmosphere of Geneva, the current behavior and attitudes of Blocs and West.

C. Emergent Problems

We stand today on the threshold of a new era in East-West relations, a new phase of the cold war. As we enter this phase, what appear to be the chief emergent trends and problems which US policy must take into account for the future (such as decreased urgs to rearm, desire for negotiation, growing concern over nuclear war)?

II. TRENDS OVER THE NEXT DECADE

This section should not aim at an area-by-area review (which was a weakness of past world situation estimates) but should focus en broad trends and problems, of which the following is merely an illustrative list:

- A. Trends in Military Balance of Power. Killian timetable's applicability; impact of new weapons; shifts in strate; ic concepts and strategic interests; contingent impact of arms limitations and/er mutual inspection; trends in Bloc and Free World armed strength in a period of reduced tensions; likely advent of a period of nuclear stalemate.
- * Of course many of the subheadings alove are closely inter-related and in many cases overlapping and will have to be organized somewhat differently in the paper itself.

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- B. Non-military Impact of the new technology. For example, what will the advent of atomic power mean in broad terms.
- C. Comparative economic growth (and rate of growth) of Bloc vs.

 Free World, US vs. USSR, Western Europe, and Japan-India-China as of 1965. (Where feasible we could go on to 1970-75). Probable economic trends in Bloc and Free World, including impact of likely military programs on rates of economic growth.
- Do Major Trends in Soviet and Chinese Communist Policy, Domestic and Foreign. How long might present phase of Soviet policy last? How far are Soviets likely to go? What are the prespects for further major shifts in Chicom or Soviet policy over the longer run? For example what is the likelihood of revision to greater emphasis on peripheral aggression and subversion in a period of nuclear stalemate?
- E. Trends in Free World. What are the chances of increasing neutralism, of decline in cohesion of NATO, SEATO, etc. in an era of nuclear plenty and perhaps a continuation of reduced tensions?
- F. Trends in underdeveloped areas. What is the future role of Asia and Africa? Are any new powers or combinations of powers likely to come forward in the next decade? For example, will India and Communist China become much more significant in world affairs over the next decade?



In broad terms, what are the longer range implications of the leadership of the colonial empires and the creation of a large area of essentially uncommitted states?

- G. Trends in East-West Relations. In the light of probable Bloc and Free World trends as outlined above, what trends may develop in the cold war? Might increased East-West contacts and negotiations over an extended period change the character of East-West relations? Or is the cold war eventually likely to enter a new and violent phase?
- H. Summary Outlook. In sum what major forces or new factors are likely to dominate the world scene over the next decade. What type of situation is the US likely to confront ten years from now? What policy problems will it present?